

# BPA Policy 720-1

## Sustainability Practices and Responsibilities

### Internal Operations

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## 720-1.1 Purpose & Background

This policy establishes Bonneville Power Administration's (BPA) sustainability program and defines responsibilities for planning, executing, monitoring, and reporting.

## 720-1.2 Policy Owner

The Chief Administrative Officer (CAO) has responsibility for oversight of the sustainability program and for review of this policy.

## 720-1.3 Applicability

All BPA employees.

## 720-1.4 Terms & Definitions

**Carbon Footprint:** The total sets of greenhouse gas emissions caused by an organization, event, product, or person.

**Greenhouse Gases (GHGs):** A greenhouse gas is a gas in an atmosphere that absorbs and emits radiation within the thermal infrared range and the primary greenhouse gases in the Earth's atmosphere are water vapor, carbon dioxide, methane, nitrous oxide, and ozone.

**Scope 1** Emissions are all direct greenhouse gas emissions (with the exception of direct CO<sub>2</sub> emissions from biomass combustion). Scope 1 emissions include stationary combustion (generation, emergency generators, boilers, etc.); mobile combustion (motor fleet, air fleet, etc.); physical and chemical processes (i.e. for manufacturing); and fugitive sources (unintentional release from the production, processing, transmission, storage, and use of fuels and other substances).

**Scope 2** Emissions are indirect emissions associated with the consumption of purchased or acquired electricity, steam, heating, or cooling.

**Scope 3** Emissions are all other emissions not contained within Scope 1 and Scope 2 classifications.

## 720-1.5 Policy

A. **Sustainable Balance:** BPA strives to achieve and retain an optimal balance between economic, environmental, and social progress in order to deliver safe, reliable, and affordable power. BPA's sustainability program's primary mission is to reduce natural resource consumption and greenhouse gas emissions from its internal operations.

BPA considers performance, costs, and risks over a program's or asset's life cycle, while avoiding adverse long-term impacts to the organization from short-term decisions. BPA integrates sustainability into all internal operations business practices and decisions by taking into account energy and water consumption; materials and waste management; GHG emissions from internal operations and employee engagement.

BPA meets statutory and regulatory requirements pertaining to sustainability. This policy is implemented in a manner consistent with applicable law.

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**B. Sustainability Pillars:**

- 1. Energy management:** BPA manages energy consumption at its facilities through a continuous plan–do–check–act cycle. BPA identifies and implements projects to reduce energy consumption in all goal-subject facilities. New facilities meet current energy efficiency building code requirements, while existing buildings incorporate code requirements for all modernization and rehabilitation projects. All new lease contracts incorporate energy efficiency requirements.
- 2. Water conservation:** BPA manages water consumption through a continuous plan–do–check–act cycle. BPA identifies and implements projects and operational changes to reduce water consumption in all goal-subject facilities..
- 3. Materials and waste management:** BPA considers material lifecycle impacts when purchasing supplies and materials. When cost-effective, BPA procures materials that have the least environmental impact for the production, transport and disposal process. BPA maximizes recycling in order to divert materials from landfills and continuously strives to minimize its solid non-hazardous waste generation.
- 4. GHG emissions reduction:** BPA uses a plan–do–check–act process to identify opportunities and implement initiatives to reduce greenhouse gas emissions from its goal-subject facilities, non-exempt fleet and transmission supporting assets as applicable.
- 5. Employee engagement:** BPA educates the workforce to enable implementation of sustainable practices and also encourages its employees to generate ideas and practices to increase sustainability in the workplace.

**C. Carbon Management:** BPA takes responsible steps to cut carbon pollution that cause climate change and threaten public health. BPA supports a decarbonized economy and is committed to reducing its carbon footprint by minimizing its operational output of greenhouse gas (GHG) emissions into the biosphere, without compromising mission integrity, safety, and reliability.

- 1. GHG Inventory:** BPA annually accounts for the Scope 1, Scope 2, and Scope 3 GHG emissions from its internal operations. BPA’s GHG emissions are third-party audit verified and follow industry sector, credible, and publicly accepted verification and reporting protocols.
- 2. GHG Reduction Goal Setting:** BPA sets percentage reduction targets for Scope 1, Scope 2, and Scope 3 greenhouse gas emissions in absolute terms and periodically revises and adjusts them in accordance to performance.
- 3. GHG Mandatory Reporting:** BPA submits annual GHG emissions reports to regulatory agencies and entities including and not limited to, Environmental Protection Agency (EPA), Oregon Department of Environmental Quality (ODEQ), Washington Department of Ecology (ECY), and the California Air Resources Board (CARB).

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- D. **Employee Engagement:** BPA engages with employees to communicate the key role they play in accomplishing BPA’s sustainability targets and initiatives. Through its commitment to sustainability, BPA cuts across internal operations programs, embraces whole-enterprise thinking, and challenges established habits and procedures. BPA encourages behavior change through a BPA-wide sustainability awards program that recognizes sustainability achievements. BPA educates employees on opportunities to contribute both at work and home.
- E. **Collaborative Relationships:** BPA develops and maintains continuing relationships with other federal agencies, state and local governments, privately- and publicly-owned utilities, major manufacturers, professional groups, research and development organizations, Congressional delegations and committees, natural resource groups, and the public to achieve regional sustainability coordination of BPA activities.

**720-1.6 Policy Exceptions**

The rates and revenue, safety, human capital management, environmental and small business programs are governed by other appropriate BPA Manual and Bonneville Purchasing Instructions and are beyond the scope of this policy.

This policy is intended to improve the internal management of BPA and is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, including BPA, or its officers, employees, or agents, or any other person.

**720-1.7 Responsibilities**

- A. **Chief Administrative Office Management Committee (MC):** Provides strategic oversight to ensure that sustainability efforts align with BPA’s strategic plan and direction.
- B. **Chief Administrative Officer (CAO):** Champions and leads sustainability initiatives across BPA.
- C. **CAO Internal Operations:** The Internal Operations team develops strategy for improved sustainability performance in coordination with internal stakeholders and with oversight and approval of the CAO. The team tracks, analyzes, and reports BPA’s sustainability performance, greenhouse gas emissions specific to BPA internal operations and other data relevant to BPA sustainability targets, DOE, and any other applicable local, state, or federal compliance regulatory reporting requirements.
- D. **BPA’s Sustainability Team:** Supports and encourages innovative, cost-effective internal operations business practices that reduce BPA’s effect on the environment, conserve resources, and cut greenhouse gas emissions. The Sustainability Team enhances BPA’s sustainability efforts by educating and engaging employees and internal organizations and membership is voluntary.

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- E. **BPA Cross-Functional Teams:** Formed in response to the goals and plans developed each year and last as long as necessary to achieve the goals.
- F. **Corporate Strategy:** Tracks the performance of annual sustainability targets through BPA’s balanced scorecard system.
- G. **Communications:** Communicates sustainability performance internally and externally as well as educational and engagement opportunities that enable employees to implement sustainable practices in the workplace and in their homes. The Communications group is responsible for periodic reporting on BPA’s sustainability efforts.
- H. **Employees:** Support BPA sustainability efforts by monitoring and reporting to ensure compliance and internal operations program delivery.

## 720-1.8 Standards & Procedures

### A. Strategic Planning

1. CAO sets corporate level strategy for sustainability every five years consistent with regulatory and compliance requirements. Subsequent to the publishing of the CAO sustainability strategy, internal support organizations are expected to submit an action plan to meet the goals and targets set within the master plan.

### B. Execution, and Monitoring Cycle for Sustainability Targets:

1. FY 1st Quarter: Begin execution and monitoring of plan to meet sustainability targets; gather prior fiscal year lessons learned and report results.
2. FY 2nd Quarter: Continue execution and monitoring. Consider lessons learned cycle to determine if targets need to be adjusted.
3. FY 3rd Quarter: Continue execution and monitoring. Begin planning process for next fiscal year, including identifying opportunities and drafting high level strategic targets.
4. FY 4th Quarter: Complete execution and monitoring. Refine and approve next year’s execution plan, which includes detailed executable targets that have been resourced and budgeted.

## 720-1.9 Performance & Monitoring

- A. **Sustainability Annual Targets:** Developed through a cross-functional collaborative effort that is coordinated by the CAO Internal Operations team, guided by the CAO and CAO MC, and approved during the formal BPA balanced scorecard target approval process. All internal operations approved targets are achievable and appropriately resourced.
- B. **Sustainability Program Tracking:** CAO Internal Operations tracks the implementation of the cross-functional components of its sustainability program through Corporate Strategy’s *Performance Scorecard* system in order to manage and track conformance with Executive Order (EO) 13693.

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- C. **Reporting:** Performed for internal and external stakeholders for compliance and discretionary purposes. Internal reporting is conducted quarterly through the *Performance Scorecard* system. An annual report for external stakeholders is produced 1<sup>st</sup> quarter and covers activities and results of the previous year.

### 720-1.10 Authorities & References

- A. **“Planning for Federal Sustainability in the Next Decade”** Executive Order No. 13693, 80 Fed. Reg. 15871 (2015)
- B. **–“Promoting Efficient Spending,”** Executive Order No. 13589, 76 Fed. Reg. 70861 (2011)
- C. **National Energy Conservation Policy Act**, Pub. L. No. 95-619, 92 Stat. 3206 (1978) (codified as amended at 42 USCA §§ 6215, 6311-6317, 6371, 6371a-6371j, 6372, 6372a-6372i, 6373, 6873, 7141, 8201, 8231-8233, 8235, 8235a-8235i, 8236, 8236a-8236b, 8241-8244, 8251-8258, 8258a, 8258b, 8259, 8259a, 8259b, 8271-8279, 8287, 8287a-8287)
- D. **BPA Manual Chapter 900**, Basic Environmental Policies and Responsibilities
- E. **BPA Manual Chapter 902**, Environmental Management System

### 720-1.11 Review

This policy is scheduled for review in 2020.

### 720-1.12 Revision History

Version	Issue Date	Description of Change
3.0	08-03-2015	<ul style="list-style-type: none"> <li>• Migration of content to new policy format.</li> <li>• Replacement of IBS with CAO.</li> <li>• Replacement of Sustainability Executive Steering Committee and BOB with CAO MC.</li> <li>• Replacement of reference of cross-agency targets, KPIs &amp; KSIs with annual targets.</li> <li>• Replacement of Fossil Fuel Reduction with GHG emissions reduction.</li> <li>• Replacement of scope of fossil fuel reduction initiative.</li> <li>• Introduced Carbon Management and related terms and definitions which have already been part of the program since 2010.</li> <li>• Allocation of tracking, analysis, reporting and management of the sustainability program to CAO Internal Ops team.</li> <li>• Addition of a strategic planning 5 year cycle and action plan for support organizations.</li> <li>• Eliminated stormwater management component from policy as GC guidance</li> </ul>

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		<ul style="list-style-type: none"> <li>• Inserted newly published EO 13693 as primary reference and policy guidance issued by White House and deleted references to EO 13514 &amp; 13423 (revoked).</li> <li>• Introduced goal-subject for facilities which are in scope for energy &amp; water reduction and introduced non-exempt to fleet which is in scope for emissions reduction. Introduced transmission supporting assets as it pertains to Sf6 emissions that serve as insulating gas in our transformers and represent 7% of our overall internal GHG emissions for fugitive gases.</li> <li>• Removed comments in material management section that refer to 'exceeding operational demand' and introduced reference to minimization of solid non-hazardous waste generation.</li> <li>• Change policy revision date to 2020</li> </ul>
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